

STATE OF SOUTH CAROLINA

(Caption of Case)

Review of Avondale Mills, Incorporated's Rates
Approved in Order No. 2009-394

BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

COVER SHEET

DOCKET

NUMBER: 2009 - 342 - WS

(Please type or print)

Submitted by: Scott ElliottSC Bar Number: 1872Address: 721 Olive StreetTelephone: 803-771-0555Columbia, SC 29205Fax: 803-771-8010

Other: _____

Email: sellott@elliottlaw.us

NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for use by the Public Service Commission of South Carolina for the purpose of docketing and must be filled out completely.

DOCKETING INFORMATION (Check all that apply)

☐ Emergency Relief demanded in petition ☐ Request for item to be placed on Commission's Agenda expeditiously

☐ Other: _____

INDUSTRY (Check one)	NATURE OF ACTION (Check all that apply)		
<input type="checkbox"/> Electric	<input type="checkbox"/> Affidavit	<input checked="" type="checkbox"/> Letter	<input type="checkbox"/> Request
<input type="checkbox"/> Electric/Gas	<input type="checkbox"/> Agreement	<input type="checkbox"/> Memorandum	<input type="checkbox"/> Request for Certification
<input type="checkbox"/> Electric/Telecommunications	<input type="checkbox"/> Answer	<input type="checkbox"/> Motion	<input type="checkbox"/> Request for Investigation
<input type="checkbox"/> Electric/Water	<input type="checkbox"/> Appellate Review	<input type="checkbox"/> Objection	<input type="checkbox"/> Resale Agreement
<input type="checkbox"/> Electric/Water/Telecom.	<input type="checkbox"/> Application	<input type="checkbox"/> Petition	<input type="checkbox"/> Resale Amendment
<input type="checkbox"/> Electric/Water/Sewer	<input type="checkbox"/> Brief	<input type="checkbox"/> Petition for Reconsideration	<input type="checkbox"/> Reservation Letter
<input type="checkbox"/> Gas	<input type="checkbox"/> Certificate	<input type="checkbox"/> Petition for Rulemaking	<input type="checkbox"/> Response
<input type="checkbox"/> Railroad	<input type="checkbox"/> Comments	<input type="checkbox"/> Petition for Rule to Show Cause	<input type="checkbox"/> Response to Discovery
<input type="checkbox"/> Sewer	<input type="checkbox"/> Complaint	<input type="checkbox"/> Petition to Intervene	<input type="checkbox"/> Return to Petition
<input type="checkbox"/> Telecommunications	<input type="checkbox"/> Consent Order	<input type="checkbox"/> Petition to Intervene Out of Time	<input type="checkbox"/> Stipulation
<input type="checkbox"/> Transportation	<input type="checkbox"/> Discovery	<input type="checkbox"/> Prefiled Testimony	<input type="checkbox"/> Subpoena
<input type="checkbox"/> Water	<input type="checkbox"/> Exhibit	<input type="checkbox"/> Promotion	<input type="checkbox"/> Tariff
<input type="checkbox"/> Water/Sewer	<input type="checkbox"/> Expedited Consideration	<input type="checkbox"/> Proposed Order	<input type="checkbox"/> Other:
<input type="checkbox"/> Administrative Matter	<input type="checkbox"/> Interconnection Agreement	<input type="checkbox"/> Protest	
<input type="checkbox"/> Other:	<input type="checkbox"/> Interconnection Amendment	<input type="checkbox"/> Publisher's Affidavit	
	<input type="checkbox"/> Late-Filed Exhibit	<input type="checkbox"/> Report	

ELLIOTT & ELLIOTT, P.A.
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SCOTT ELLIOTT

TELEPHONE (803) 771-0555
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December 9, 2009

VIA HAND DELIVERY
Charles L.A. Terreni, Esquire
Chief Clerk of the Commission
SC Public Service Commission
P. O. Drawer 11649
Columbia, SC 29211

RE: Review of Avondale Mills, Incorporated's Rates
Approved in Order No. 2009-394
Docket No. 2009-342-WS

RECEIVED
2009 DEC -9 PM 6:45
SC PUBLIC SERVICE
COMMISSION

Dear Mr. Terreni:

By Directive dated November 19, 2009, the South Carolina Public Service Commission ("Commission") ordered Avondale Mills, Inc. ("Avondale") to allow its customers having arrearages resulting from their July bills to pay their July arrearages in two equal monthly installments beginning December 2009. For the reasons set out, Avondale would respectfully request that the Commission reconsider its Directive to permit Avondale to collect all arrearages as permitted by law.

The Commission issued its Directive November 19, 2009 ("Directive"). However, the Directive has not been reduced to an Order. Nevertheless, Avondale is constrained by the terms of the Directive from taking otherwise lawful steps to collect these arrearages. The Directive provides in its pertinent part as follows:

Accordingly, I move that we order Avondale to allow its customers having arrearages resulting from the July bills to pay their July arrearages in two equal monthly installments, beginning in December 2009. Avondale shall not initiate efforts to discontinue service, charge interest or late fees to affected customers during this time.

The Directive requires Avondale to allow those customers with arrearages resulting from the July bills to pay the July arrearages in two equal installments. Those customers who avail themselves of the opportunity to pay their July arrearages in two equal installments shall not have service terminated or be required to pay interest or late fees on account of their payment of their July bills in equal installments in December and January 2010.

Avondale understands the intent of the Directive to require Avondale to provide some accommodation to those customers who were unable to pay their July bills set at the rates approved in Order No. 2009-394. However, these customers have now had four months to pay their July bills without penalty. The rates billed Avondale's customers in July 2009 were those approved in Order No. 2009-394. To

require Avondale to permit those customers six (6) months in which to pay the July bills has the effect of retroactively altering Avondale's rates which is impermissible under state law. South Carolina Electric & Gas Company v. Public Service Commission, 275 S.C. 487, 272 S.E. 2d 793 (1980).

As can be seen from the spreadsheet attached to this letter as Exhibit A, Avondale has collected the following monthly billings, by percentage, through December 2, 2009:

July 90%
August 83%
September 80%
October 69%

However, the Directive has caused confusion among Avondale's customers. A number of customers have contacted Avondale to express their understanding that no payments are due until January 31, 2010. Permitting those customers who have yet to pay their July bills until January to pay those bills confers a benefit or privilege upon them not enjoyed by the customers who have dutifully paid for July.

Moreover, approximately forty of Avondale's customers have made absolutely no payment against their July, August, September and October bills. The total disregard by these customers of their responsibility to make payment to Avondale for services rendered cannot be explained by hardship or confusion. Avondale does not understand the Directive to prohibit it from collecting all delinquent balances and Avondale intends to take all lawful steps to collect its delinquent accounts. However, the confusion created by the Directive provides undue encouragement to those customers who have the ability to pay but refuse to do so.

Avondale has been dutiful in abiding by the orders, directives and regulations of this Commission and continues to expend considerable costs and resources to upgrade its water and sewer systems. However, Avondale requires adequate revenue to discharge its responsibilities. Avondale has been careful not to disconnect its delinquent customers without making all accommodations required by law. Indeed, Avondale's accommodation of its customers in need of financial assistance has exceeded the requirements imposed on it by this Commission.

Avondale respectfully submits that the Directive has created confusion among Avondale's customers as to when payments are due and has encouraged those customers who are able to pay their bills to delay payment or refuse to pay. To prohibit Avondale from employing all lawful means to collect all outstanding balances rewards these delinquent customers and threatens to impair Avondale's ability to provide service to its customers

Mr. Terrini
December 9, 2009
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Accordingly, for the reasons set out, Avondale would respectfully request that this Commission reconsider its Directive of November 19, 2009, and permit Avondale to take all lawful steps to collect all delinquent accounts including the July 2009 delinquent accounts.

Sincerely,

ELLIOTT & ELLIOTT, P.A.

A handwritten signature in black ink, appearing to be 'Scott Elliott', written over a horizontal line.

Scott Elliott

SE/mlw

Enclosure

cc: Parties of record w/enclosures

AVONDALE MILLS, INC.
GRANITEVILLE WATER & SEWER SYSTEMS
BILLING & COLLECTION SUMMARY
AS OF DECEMBER 2, 2009

<u>Month</u>	<u>Number Customers Billed</u>	<u>Net Amount Billed</u>	<u>Adjustments</u>	<u>Cash Collections</u>	<u>Remaining Balance</u>	<u>Percent Paid</u>	<u>Number Paid In Full</u>	<u>Percent Paid In Full</u>
July	616	\$56,659.00	(\$776.60)	(\$50,179.45)	\$5,702.95	89.79%	545	88.47%
August	611	43,596.40	(376.41)	(35,797.25)	7,422.74	82.83%	516	84.45%
September	607	40,708.10	(2,636.49)	(30,468.21)	7,603.40	80.03%	481	79.24%
October	599	43,716.04	(1,974.09)	(28,787.92)	12,954.03	68.97%	425	70.95%
November	597	42,706.13	(1,115.40)	(728.06)	40,862.67			

Note: Cash collections applied to oldest outstanding invoice first.

CERTIFICATE OF SERVICE

The undersigned employee of Elliott & Elliott, P.A. does hereby certify that she has served below listed parties with a copy of the pleading to the persons indicated below by mailing a copy of same to them in the United States mail, by regular mail, with sufficient postage affixed thereto and return address clearly marked on the date indicated below:

RE: Review of Avondale Mills, Incorporated's Rates
Approved in Order No. 2009-394

DOCKET NO.: 2009-342-WS

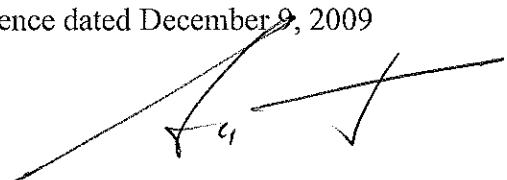
PARTIES SERVED: Jeffrey M. Nelson, Esquire
Shealy Boland Reibold, Esquire
Office of Regulatory Staff
P. O. Box 11263
Columbia, SC 29211

Michael Hunt
509 Laurel Drive
Graniteville, SC 29829

Joe A. Taylor
105 Laurel Drive
Graniteville, SC 29829

RECEIVED
2009 DEC -9 PM 6:45
SC PUBLIC SERVICE
COMMISSION

PLEADING: Correspondence dated December 9, 2009



Scott Elliott, Esquire

December 9, 2009